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BEFORE THE ARIZONA CORPORATION COMMISSION

DOUG LITTLE
Chairman
BOB STUMP
Commissioner
BOB BURNS
Commissioner
TOM FORESE
Commissioner
ANDY TOBIN
Commissioner

Arizona Corporation Commission

DOCKETED

AUG 19 2016

DOCKETED BY

IN THE MATTER OF THE APPLICATION
OF SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC. FOR
THE 2016 NET METERING TARIFF WITH
UPDATED AVOIDED COST.

DOCKET NO. E-01575A-16-0232

DECISION NO. 75704

ORDER

Open Meeting
August 9 and 10, 2016
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") is certificated to provide electric service as a public service corporation in the State of Arizona.
2. On July 1, 2016, SSVEC filed an application for approval to update the avoided cost that is contained in its Net Metering Tariff.
3. SSVEC's Net Metering Tariff was approved by the Commission in Decision No. 71463 (January 26, 2010) and most recently revised with updated avoided costs in Decision No. 75225 (August 26, 2015).
4. The Net Metering rules allow electric utility customers to be compensated for generating their own energy from renewable resources, fuel cells, or Combined Heat and Power. If the customer's energy production exceeds the energy supplied by SSVEC during a billing period, the customer's bill for subsequent billing periods is credited for the excess generation. That is, the excess kWh generated during the billing period is used to reduce the kWh billed by SSVEC during subsequent billing periods.

6. SSVEC's Net Metering Tariff provides for the annual average avoided cost to be determined by the average wholesale fuel and energy cost per kWh charged by SSVEC's wholesale power suppliers during the previous 12 months calculated with the receipt of the May wholesale power bills. SSVEC is required to file its updated avoided cost calculations with the Commission no later than July 1 of each year. This updated avoided cost, after approval by the Commission, would become effective on September 1.

8. Therefore, Staff has recommended that SSVEC's proposed annual average avoided cost for its Net Metering Tariff of \$0.0249 per kWh be approved, and become effective September 1, 2016.

9. Staff has further recommended that SSVEC be required to file, with Docket Control, a revised Net Metering Tariff consistent with the Decision in this case within 15 days of the effective date of the Decision.

CONCLUSIONS OF LAW

2. The Commission has jurisdiction over SSVEC and over the subject matter of the application.

1 3. Approval of the revised Avoided Cost rate does not constitute a rate increase as
2 contemplated by A.R.S. Section 40-250.

3 4. The Commission, having reviewed the application and Staff's Memorandum dated July
4 26, 2016, concludes that it is in the public interest to approve the revised avoided cost rate in SSVEC's
5 Net Metering Tariff as discussed herein.

6 ORDER

7 IT IS THEREFORE ORDERED that Sulphur Springs Valley Electric Cooperative, Inc.'s
8 annual average avoided cost rate for its Net Metering Tariff shall be set at \$0.0249 per kWh, effective
9 September 1, 2016.

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IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. shall file, with Docket Control, a revised Net Metering Tariff consistent with the Decision in this case within 15 days of the effective date of the Decision.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

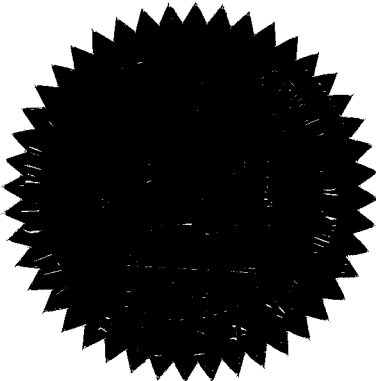

CHAIRMAN LITTLE


COMMISSIONER STUMP


COMMISSIONER FORESE


COMMISSIONER TOBIN


COMMISSIONER BURNS



IN WITNESS WHEREOF, I, JODI A. JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 19th day of August, 2016.


JODI A. JERICH
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

TMB:JJP:nr/WVC

1 SERVICE LIST FOR: Sulphur Springs Valley Electric Cooperative, Inc.
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